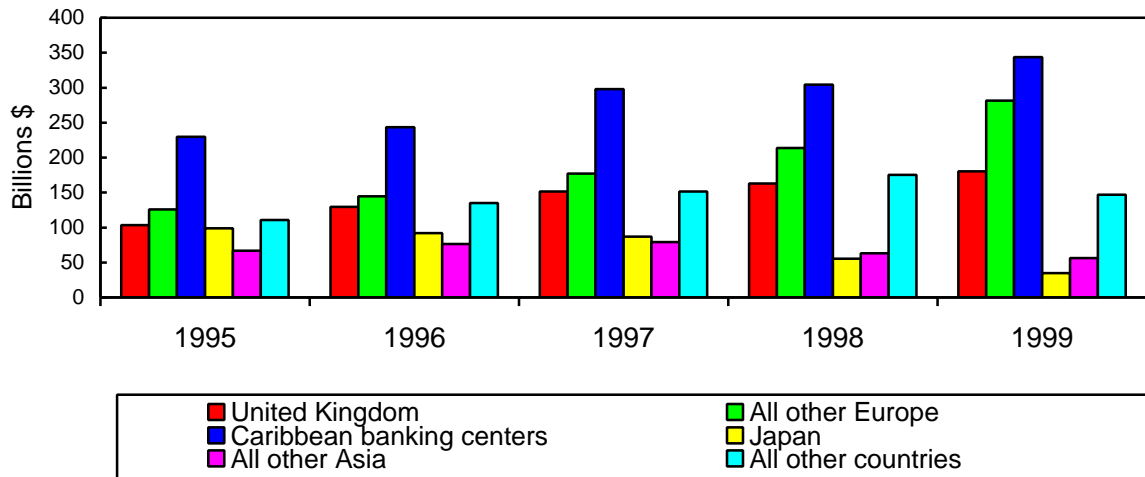


Chart CM-B -- U.S. Claims on Foreigners Reported by U.S. Banks,
Brokers and Dealers with Respect to Selected Countries



[In millions of dollars. Source: Treasury International Capital Reporting System]

| Country | 1995 | 1996 | 1997 | 1998 | 1999 |
|-----------------------------|---------|---------|---------|---------|-----------|
| United Kingdom..... | 103,375 | 129,301 | 151,645 | 162,874 | 180,179 |
| All other Europe..... | 125,939 | 144,459 | 176,991 | 213,888 | 281,439 |
| Caribbean banking ctrs\1... | 229,526 | 243,575 | 297,995 | 304,395 | 343,786 |
| Japan..... | 98,745 | 92,172 | 86,759 | 55,170 | 34,823 |
| All other Asia..... | 66,976 | 76,413 | 79,301 | 63,088 | 56,165 |
| Subtotal..... | 624,561 | 685,920 | 792,691 | 799,415 | 896,392 |
| All other countries..... | 110,811 | 134,995 | 151,390 | 175,356 | 146,946 |
| Grand total..... | 735,372 | 820,915 | 944,081 | 974,771 | 1,043,338 |

\1 Includes Bahamas, Bermuda, British West Indies, Netherlands Antilles, and Panama

U.S. banking claims on foreigners, excluding long-term securities, are concentrated in international financial centers. This chart shows that over three-quarters of U.S. claims are currently reported opposite the United Kingdom, the rest of Europe, and, most notably, the banking centers in the Caribbean. Foreigners domiciled in Asia hold less than 10 percent of U.S. claims, down from 20 percent at the end of 1996.

After extremely strong growth in the mid-1990s, total U.S. banking claims on foreigners are leveling off. Annual growth peaked at 15 percent in 1997. In 1998 and the first three quarters of 1999, claims grew at a much slower annual rate of 3 percent. For 1999 as a whole, banking claims increased \$69 billion, or 7 percent, because of strong growth in the fourth quarter.

Claims opposite Asia continued to fall in 1999, and now stand \$75 billion below their end-1997 level. Claims opposite "All other countries" also fell in 1999; Canada represented \$17 billion of the decrease in that group. Claims opposite Europe, notably Switzerland, and the Caribbean financial centers increased during the year.